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OUTLINE OF CONDITIONS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Working paper prepared by the Secretariat

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TRUST TERRITORY OF THE PACIFIC ISLANDS*

INTRODUCTION

1. The original Trust Territory of the Pacific Islands consisted of four entities: the Federated States of Micronesia, the Marshall Islands, the Northern Mariana Islands and Palau. Since the adoption of Security Council resolution 683 (1990) on 22 December 1990, which terminated the Trusteeship Agreement 1/ for three of the entities, Palau is the only remaining entity of the Trust Territory of the Pacific Islands still under the Trusteeship Agreement.

2. At its fifty-ninth session, the Trusteeship Council took note of its resolution 2183 (LIII) of 28 May 1986, and of its subsequent reports to the Security Council. The Trusteeship Council also took note of the adoption of resolution 683 (1990) on 22 December 1990, by the Security Council, as proposed by all members of the Trusteeship Council, in which the Security Council determined, in the light of the entry into force of the new status agreements for the Federated States of Micronesia, the Marshall Islands and the Northern Mariana Islands, that the objectives of the Trusteeship Agreement had been fully attained, and that the applicability of the Trusteeship Agreement had terminated with respect to those entities. The Trusteeship Council further noted that, in the same resolution, the Security Council had also expressed its hope that the people of Palau would be able in due course to complete the process of freely exercising their right to self-determination. 2/

3. The Trusteeship Council noted the statement by the Minister of State of Palau on 26 May 1992 that the leadership of Palau desired an end to the trusteeship at an early date and, to that end, had decided on a further round of consultations with the Palauan electorate (T/PV.1691). The Council noted also that the Administering Authority, in its statements to the fifty-ninth session of the Council, had reiterated its firm support for an early resolution of the future political status of Palau.

4. The Trusteeship Council expressed the hope that the people of Palau would soon be able to complete the process of exercising freely their right to self-determination, and that it would be possible to terminate the Trusteeship Agreement in the very near future.

5. In its current annual report, 3/ the Administering Authority stated that it recognized the importance of the actions noted by the Trusteeship Council in the above paragraphs and reiterated its support for early resolution of the political status of Palau and the termination of the Trusteeship Agreement as noted by the Trusteeship Council.

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* Unless otherwise noted, the information contained in the present report has been derived from the 1992 annual report of the Administering Authority to the Trusteeship Council (see note 3) or from previous reports.

6. The Administering Authority also reiterated its commitment to fulfilling its responsibilities under the Charter of the United Nations and the Trusteeship Agreement and stated that it continued to have no plans to establish military bases in Palau.

I. GENERAL

A. Land and people

7. The Trust Territory of the Pacific Islands (Palau) is located in the Western Caroline Islands. It is composed of many islands, with a total land area of 492 square kilometres; the largest island is Babelthuap with a land area of 404 square kilometres. According to the annual report of the Administering Authority, the population of Palau in 1992, totalled 16,386. Two thirds of the total population live in the capital, which consists of the island of Koror and several adjacent islands connected to each other by causeways. Babelthuap is also connected to Koror by a causeway.

B. War damage claims

8. War damage claims by the inhabitants of the Trust Territory fall into two broad categories: claims against the Governments of the United States of America and Japan, mainly for damages sustained by the indigenous inhabitants during the Second World War (Title I claims); and post-war claims against the Government of the United States (Title II claims).

9. The Micronesian Claims Commission, which was established in 1971 with authority to receive, examine, adjudicate and render decisions on war damage claims, completed its work in July 1976. All claims under Title II have already been settled. With regard to the claims under Title I, final payment is nearly complete. These payments were made possible by the United States making cash available to match the Japanese in-kind share. The only remaining payments relate to contested awards or awards that are in probate.

II. POLITICAL ADVANCEMENT

A. General political structure

10. In May 1990, the Department of the Interior announced that it would open an office in Palau and review the administrative structure of the Administering Authority as it pertained to the Trust Territory. In September 1990, the leadership of Palau and the Assistant Secretary of the Interior met in Guam to draft a new secretarial order defining the responsibilities of the Administering Authority and the Trust Territory.

11. Subsequently, on 15 October 1990, the Department of the Interior issued Secretary's Order No. 3142 which provided for the appointment of a Resident Representative of the Assistant Secretary of the Interior to carry out liaison between the Administering Authority and the Palau Government. In January 1991,

this liaison office, headed by a Director, was established in the Trust Territory.

12. Palau is a member of the South Pacific Commission (SPC) and an associate member of the Economic and Social Commission for Asia and the Pacific (ESCAP). It has observer status or membership in the South Pacific Forum Fisheries Agency (FFA) and the Asia Pacific Telecommunity.

B. Constitutional developments and progress towards self-government or independence

13. The report of the 1992 United Nations Visiting Mission to Palau provides background information on the Palauan Constitution and the Territory's system of government, as well as details on developments related to its future political status. 4/ Other recent developments are outlined below.

14. According to the current annual report of the Administering Authority, on 14 April 1992 representatives of 3,300 petitioners presented to the President and leaders of the Olbiil Era Kelulau a petition to amend the Constitution. The petitioners sought an amendment that would allow passage of the Compact of Free Association, including the section which allows the United States to operate nuclear-powered vessels in Palau's waters, with a simple majority, instead of the 75 per cent then required. The petitioners requested a vote within 90 days after their petition was presented. A vote was scheduled by the President for 13 July 1992, which the Supreme Court enjoined. The Olbiil Era Kelulau then enacted legislation calling for a vote on the amendment at the same time as the general election, 4 November 1992.

15. The annual report further stated that, on 4 November 1992, Palau held elections which included a referendum on lowering the required plebiscite vote for implementing the Compact of Free Association from 75 per cent to "50 plus 1 per cent". The constitutional change was approved. However, as of 1 March 1993, a legal challenge to the referendum remained to be heard and decided on by the Palauan courts.

C. Territorial government

16. The Palau Constitution, adopted in 1980, provides for three branches of government.

Executive

17. Executive power in Palau is vested in a President who is elected together with a Vice-President for a four-year term. A Council of Chiefs advises the President on matters concerning traditional laws and customs.
Mr. Kuniwo Nakamura was elected President in November 1992.

Legislature

18. Legislative power in Palau is vested in the Olbiil Era Kelulau (National Congress of Palau), consisting of two essentially equal chambers - the Senate

and the House of Delegates - whose members are elected for four-year terms. The Senate has the additional power of advice and consent.

19. There are 16 delegates, one from each of the states of Palau. The number of Senators may change every eight years when districts are reapportioned according to population. At present, there are 14 senators: 4 from the northern part of Palau, 9 from Koror and 1 from the southern islands. Members of the Olbiil Era Kelulau may be removed from office only by recall or impeachment.

20. The Constitution of Palau requires that a bill pass three separate readings in each chamber before it becomes law. If a bill passes its third reading in the originating house, it is transmitted to the other chamber of the Olbiil Era Kelulau, where it undergoes essentially the same process. If amended and then passed by the other house, it is returned to the original house for acceptance or rejection of the changes. If the amendments are rejected, the presiding officers of each house appoint a conference committee, which attempts to reach agreement on the amendments. If the committee is able to reach agreement, its proposed changes are voted upon by each house.

21. A bill enacted by the Olbiil Era Kelulau is transmitted to the President, who has 15 days within which to sign or veto the bill. All bills signed by the President, as well as those allowed to become law without his signature, are then transmitted to the Assistant Secretary of the Office of Territorial Affairs of the United States Department of the Interior, to be reviewed for consistency with the applicable federal laws, the Trusteeship Agreement or treaties in force. The Assistant Secretary has 20 days in which to determine whether to allow the bill to become law or to suspend all or part of the legislation.

Judiciary

22. Judicial power in Palau is vested in a Supreme Court, a National Court and such lower courts of limited jurisdiction as may be established by law. The Supreme Court is composed of a chief justice, three associate justices and three part-time associate justices, all of whom are members of both the trial and the appellate divisions. Justices of the Palau Supreme Court are appointed by the President of Palau from a list of candidates recommended by the Judicial Nominating Commission. Matters before the Trial Division are heard by one justice, except for murder cases, in which the Trial Judge determines questions of fact and penalty, with the assistance of two lay "special judges" whom he selects from a list of persons appointed by the President for specified terms. Questions of law remain solely within the province of a trial judge. All appeals are heard by at least three judges. No justice may hear or decide an appeal of a matter heard by him in the Trial Division. The National Court consists of a presiding judge and such other judges provided for under the Palau Constitution. The Court of Common Pleas consists of a senior judge and an associate judge. The Land Claims Hearing Office, which is under the administration of the National Judiciary of Palau, has been hearing land disputes since 1987.

23. According to section 15 of Secretary's Order No. 3142:

"The Appellate Division of the High Court of the Trust Territory of the Pacific Islands shall have jurisdiction to review, by writ of certiorari, the final decisions of the highest court of Palau in which a decision may be had, that are rendered after 14 January 1988. The rulings of the courts of Palau shall be conclusive on questions of the local law of Palau, except in cases in which the Government of the Trust Territory of the Pacific Islands, the Government of the United States, its subdivisions and agencies, or its military or civilian personnel are parties. Decisions of the High Court of the Trust Territory of the Pacific Islands shall be final, binding and enforceable according to their terms."

24. In 1991, the Vice-President of Palau was appointed Minister of Justice. In that capacity, he is in charge of the maintenance of domestic security and law enforcement.

25. The customary laws of the various parts of the Territory have the full force and effect of law, provided there is no conflict with statutory and other written laws specifically applicable in the Trust Territory.

D. State or municipal governments

26. The 16 states were formerly clusters of loosely linked hamlets. Each state has an elected governor and legislature, as well as a constitution.

E. Civil service

27. The Constitution of Palau provides for the appointment of national officers by the President with the advice and consent of the Senate. During the period under review, the Government of Palau employed 1,542 persons, a decrease from the previous year's level of 1,589.

F. Political education

28. According to the report of the United Nations Visiting Mission to Palau, Trust Territory of the Pacific Islands, 1992, 5/ most people of the Territory had an adequate understanding of the political issues facing Palau and of the implications of the Compact of Free Association for their future. The Mission concluded that the electorate had a high degree of political awareness and also noted that most Palauans were eager to see the question of their political status resolved as soon as possible.

III. ECONOMIC ADVANCEMENT

A. General

29. The small and open economy of Palau is supported in large part by transfers from the United States Government. Local revenues contributed about 30 per cent of total public expenditures in fiscal year 1992, which amounted to $39,829,000. Most development is funded from external sources. At present, the economy is

based on government services, subsistence agriculture, fisheries, and a nascent, but steadily growing, tourism sector.

30. At its fifty-ninth session, the Trusteeship Council noted that the people of the Trust Territory, in the exercise of their right to self-government as set out in Article 76 b of the Charter, had elected to assume full responsibility for administration in the economic, social and educational fields. 2/

31. At the same session, the Trusteeship Council also noted the concerns of the Palauan leadership regarding the implementation of Secretary's Order 3142. It shared the view of the Visiting Mission that there was a need for a continuing process of consultation and advice on how best to satisfy the procedures required under the Order. The Council was hopeful that over time the need for the Order, or at any rate for the activation of its suspension provisions, would be diminished, and it welcomed in that context the statement made by the Assistant Secretary of the Interior to the Trusteeship Council on 27 May 1992 (T/PV.1692). 2/

32. Under the terms of Secretary's Order No. 3142, Palau is to develop, with the assistance of the United Nations Development Programme (UNDP), a master national development plan which is expected to provide a framework for its future economic development.

33. In its current annual report, the Administering Authority stated that it continued to be pleased with the assumption of self-government responsibilities in the economic, social and educational fields in the Trust Territory (Palau). While suspension of legislation might be necessary at some later date, the Administering Authority noted that it was not necessary to invoke the suspension authority during fiscal year 1992.

34. At its fifty-ninth session, the Trusteeship Council noted the concerns of the Government and people of Palau, as expressed to the United Nations Visiting Mission, regarding the level of economic development and social progress and their desire for improvements in those areas. It shared the view of the Visiting Mission that continued efforts were needed in that regard, especially in the outlying states of Palau. At the same time, the Council welcomed the improvements reported in the tourism and fisheries sectors, while noting the problems of illegal fishing in Palauan waters and the need to ensure that the development of the tourist industry would take into account the importance of preserving the natural environment of Palau. It welcomed also improvements in the public health sector and expressed the hope that further progress would continue to be made in those and other fields. It also noted the assurances by the Administering Authority that it would continue to do what it could to assist the people of the Territory to attain greater economic self-sufficiency through responsible economic development. 2/

35. In its annual report, the Administering Authority noted that progress was being made with UNDP for funding the Palau National Master Development Plan, which would benefit all of Palau, including the outlying states. When implemented, the plan would go far in enhancing economic self-sufficiency in Palau. The Administering Authority stated that it was concerned with illegal fishing in Palauan waters, and to that end would offer Palau technical assistance to revitalize its marine enforcement programme. That action would

enable Palau again to resume patrolling its waters with the former United States Coast Guard cutter that was given to Palau. In the field of health care, the Administering Authority stated it was pleased to be able to fund construction of the new $25 million Palau Hospital which was dedicated at the end of 1992.

B. Public finance

36. During fiscal year 1991/92, the grant from the Administering Authority to the Trust Territory totalled approximately $30.2 million, of which $17.3 million came from funds from the Department of the Interior, $7 million from federal grants and $5.9 million from Capital Improvement Programme funds. Grants from United Nations agencies and other countries amounted to $119,000.

37. During the period under review, local revenues increased to $15,187,000 from $12,504,000 during the previous period. They were derived mainly from taxes and reimbursements for the use of public utilities. These revenues are controlled by the Palau legislature and appropriated to provide for its own support and for such legislative projects as may be authorized by law.

38. The current annual report noted that the Trust Territory Transition Office in Saipan was closed on 30 September 1991 and its monitoring responsibilities for federal grant money were transferred to the Trust Territory office established in Koror, Palau. That office is now responsible for monitoring the disbursements of categorical grants that had not been completely transferred to the constitutional government and for providing training in bookkeeping and fiscal management where necessary.

C. International trade

39. The current annual report of the Administering Authority provides no figures for the value of exports. During the period under review, imports decreased from $24.5 million to $18.3 million.

D. Land

40. The 1992 United Nations Visiting Mission to Palau noted that the land issue continued to be one of the major problems facing the Government of Palau. Disputes over land ownership were also the cause of the majority of civil court cases. The Mission was informed that only 30 per cent of the country had been surveyed, and that out of the 20,000 parcels of land in Palau, only 5,000 had been adjudicated. The delay in the completion of the land survey process was attributed to insufficient funds.

41. According to the current annual report, the United States Department of the Interior gave Palau $185,000 to expedite its programme of registering all land titles in Palau in conjunction with the Palauan Land Claims Hearing Office.

E. Agriculture and forestry

42. Subsistence farming is the main agricultural activity throughout the Trust Territory. Various regional and international organizations, notably UNDP, the Food and Agriculture Organization of the United Nations and SPC, provide assistance on crop research, market development and livestock production.

43. In 1992, sales of vegetables, fruits, staple crops, eggs, meat and processed food in Palau amounted to $591,252.

44. The Palau Agriculture Revolving Fund, created by the Palau legislature, continued to provide farmers with small farm tools, machinery, seeds and supplies.

45. The United States Department of Agriculture Forest Service made grants totalling $34,035 to the Palau Forestry Program and the Palau Resources Development and Conservation Program for fiscal year 1992.

F. Marine resources

46. In view of the fact that the fishing industry is currently the second largest source of income for Palau after tourism (see paras. 56 to 59), the 1992 United Nations Visiting Mission recommended that high priority be given to the further development of this industry.

47. The current annual report noted that marine resource management and development in Palau was based on the recognition that the ocean was Palau's most valuable natural resource and that it offered the best opportunities for long-term economic development and attainment of economic self-sufficiency.

48. Under an agreement with four fisheries associations of Japan, the Palau Maritime Authority allows up to 290 fishing vessels to fish in Palau's 200-mile exclusive economic zone. Palau also received substantial sums from the Multilateral Fisheries Treaty with the United States (a fisheries treaty between the Government of the United States and several Governments of the South Pacific FFA, including Palau) and from the licence fees issued by Palau International Traders Incorporated, a locally registered corporation, to three foreign fishing fleets.

49. In 1992, the total value of the fish caught amounted to $856,634, while local revenues generated from local and export sales of all marine resources amounted to more than $1.2 million.

G. Industry, construction and public works

50. According to the current report of the Administering Authority, 278 new business permits were issued in 1992, bringing the total of private business establishments operating in Palau to 1,032 or an increase of 28 over the previous year. Of the 16 applications for foreign investors' business permits, the Foreign Investment Board of Palau approved 11 applications, and 5 are still pending.

51. In 1986, the International Power Systems Engineering Company (IPSECO) power plant at Aimeliik began operations, reaching 50 per cent of Palau's population. The Gorones International Construction Corporation's contract to operate the plant was terminated and the plant is currently run directly by the Government. Fuel for the plant is supplied by the Shell and Mobil Oil Companies. The older power station located at Malakal harbour is kept as a backup to the Aimeliik Power Plant.

52. In 1991, the Administering Authority reported that the Palau Water Branch provides water to some 10,000 persons living within the service area of Koror, the capital, and nearby areas. Some 25 per cent of the system still operated on "water hours" of 16 hours per day, an improvement over the previous reporting period when 50 per cent of the system was on "water hours".

53. The daily amount of 11.3 million litres pumped remains insufficient to meet the water demand. The primary reasons for the shortfall were leakage, poor water conservation and misuse of water resources.

54. Under a grant of $4.7 million from the Department of the Interior, a rural water systems project for 19 villages was initiated in Palau in 1984. The United States Congress approved an additional $2.5 million for fiscal year 1991 to construct three more systems, leaving seven still to be constructed.

55. Koror has the only sewerage system in Palau, serving 6,000 to 7,000 persons. A $1 million grant provided by the United States Environmental Protection Agency (EPA) made it possible to install 450 house sewer connections in 1991. Under another EPA grant of approximately $500,000, the construction of rural sanitation facilities in some 500 outer island dwellings was under way.

H. Tourism

56. Palau is renowned internationally for its beauty. Its main tourist attraction is diving since the Territory is part of a vast underwater volcanic ridge stretching southward from Japan. Tourism currently provides the largest source of income and is the most promising sector of Palau's economy. In 1992, approximately 35,000 visitors entered the Trust Territory, representing an increase of some 2,300 over the previous period. About 47 per cent came from Japan, 22 per cent from the United States and the remainder from Australia, the Philippines, other Asian countries and some European countries.

57. The Palau Visitors Authority (PVA), established almost 11 years ago by the Government of Palau to attract more visitors, reported that a marked increase in funding, together with the creation of tourism committees in both the House and Senate of the Olbiil Era Kelulau, had enabled it to pursue its goals on a more competitive basis. The Authority appointed representatives in Japan and North America to promote Palau as a tourist destination.

58. In keeping with world-wide concern for environmentally sound tourism development, during 1992 PVA worked closely with hotel and tour operators to develop tourist activities other than diving. The annual report for 1992 predicted a 40 per cent increase in tourism in the next two years.

59. Hotel and motel accommodation increased from 398 rooms in 1991 to 481 rooms in 1992.

I. Transport and communications

60. There are no mass transit or public transportation systems in Palau. Taxis, rental cars and private buses are available for hire. Transportation between Koror and outlying states is mostly by boat. There were an estimated 164 outboard motor boats in Palau during the period under review. The Government of Palau also operates a marine patrol boat and a landing craft facility. There are two local sea transportation companies for the islands of Peleliu and Angaur.

61. Palau is served by three international shipping companies. During the period under review, some 13 ships made a total of 48 voyages to Palau from Asia and the United States.

62. Koror is still the only state with almost all of its primary and secondary roads well constructed of asphalt and concrete. The 1992 United Nations Visiting Mission to Palau heard repeated complaints about the absence of a road linking the major population centres on the island of Babelthuap. According to the Administering Authority in its current annual report, there has been a tremendous improvement and dirt roads have been extended on the main island of Babelthuap.

63. The recently resurfaced Palau International Airport runway accommodates aircraft up to the size of a Boeing 707 jet. Continental/Air Micronesia, the only international airline which serves Palau, averages two flights a day, seven days a week to the Philippines or Guam and Yap. There are also occasional charter flights from Japan by Japan Air Lines and All Nippon Airways. In addition, one local airline, Paradise Air, operates between Koror and the outlying states of Angaur and Peleliu.

64. International and domestic telephone communications are available through Palau National Communications Corporation, a semi-autonomous government agency. Palau has one publicly owned radio broadcasting station and two privately owned and operated television stations.

65. In 1991, there were 1,705 telephones, 16 telex subscribers, 96 facsimile subscribers and approximately 1,200 television receivers.

IV. SOCIAL ADVANCEMENT

A. Human rights

66. The inhabitants of the Trust Territory are guaranteed, inter alia, the following basic human rights and fundamental freedoms, as set forth in the Trust Territory Code and the constitutions of the national and of each of the state governments of Palau: freedom of religion, of speech and of the press; the right of assembly and the right to petition; no slavery or involuntary servitude; protection against unreasonable search or seizure; no deprivation of

life, liberty or property without due process of law; no discrimination against race, sex or language; writ of habeas corpus; protection of trade and property rights; and due recognition of local customs. The right of petition is granted and the inhabitants of the Trust Territory have often petitioned the United Nations and the Administering Authority.

67. Women in the Trust Territory are equal to men under the law. Equal access to courts and equal rights to own property, to control earnings, to act as guardians, to engage in business, to hold public office and to vote are guaranteed by law. The strength of local custom, however, may influence the exercise of these rights to varying degrees.

B. Medical and health services

68. In February 1991, a Ministry of Health was established as a separate entity. Within the Ministry of Health, Palau's health system was centred around the 68-bed McDonald Memorial Hospital located at Koror.

69. The hospital is accessible to 70 per cent of the population which lives in Koror, while most of the remainder of the population live 20 minutes to two hours away from the hospital by road, air or sea.

70. The south-west islanders, numbering approximately 150 persons use the hospital for health or obstetrical care depending on the availability of the field-trip vessel. The ship makes a trip to the south-west states once every three months. As reported in 1992, five adjacent states of Melekeok, Ngchesar, Ngatpang, Aimeliik and Airai have road systems to Koror thereby facilitating access to the hospital by car. The 10 remaining states receive primary health care from health assistants in field dispensaries who have 24-hour access by radio to the hospital in Koror. A health team composed of doctors, nurses, laboratory technicians and sanitarians pay monthly visits to the 10 states. Any patient needing immediate medical or emergency care is evacuated to the hospital.

71. According to the current annual report, the Belau National Hospital, funded at $25 million by the United States Congress, was finished and was expected to be occupied by November 1992. The World Health Organization (WHO) (Western Pacific Regional Office), had agreed to provide technical assistance by sending a biomedical engineer to assist with the transfer of equipment from the old facility.

72. There are two private medical clinics in Palau, one operated by a local medical doctor educated in the United States, and the other by the Seventh Day Adventist Mission. Since these two clinics are not equipped for in-patient care, they admit their patients to the national hospital for nursing and paramedical care.

73. Patients with more complicated illnesses are referred to facilities in Guam, the Philippines and Hawaii. The Government of Palau pays for approximately half the cost of medical care, while the patient is responsible for the other half, as well as the cost of transportation and off-island living

expenses. No patient is refused medical referral, however, if unable to pay for his or her share of the expenses.

74. According to the report of the 1992 United Nations Visiting Mission to Palau, owing to a number of ongoing programmes, communicable diseases and some chronic diseases, such as hepatitis B and hypertension, which had been leading causes of death in the past, were on the decline, if not completely eradicated. Gastro-enteritis and influenza continued to be a source of concern; however, the Government was giving priority to a campaign of personal hygiene and sanitation to reduce the frequency of those diseases.

75. The Mission was also informed that 90 per cent of newborns were immunized against communicable diseases and that there were no recorded cases of acquired immune deficiency syndrome (AIDS) in the Trust Territory.

76. The Mission expressed concern over the shortage of qualified doctors and nurses. These shortcomings reflect the more general problem that Palau's pay scales in the public sector are low by comparison with those in Guam and Hawaii and on the United States mainland. The current report of the Administering Authority stated that the ratio of fully qualified medical doctors to the population was 1 to 1,512, while per capita health expenditures amounted to $257.90.

77. According to the previous report of the Administering Authority, the quality of dental services had been affected by the introduction of the Retirement Act, resulting in the retirement of all local dentists with the exception of one who was retained on special contract. In order to alleviate this shortage, three dentists were recruited from the United States.

78. According to the current annual report, there is a need for hospital personnel in the fields of emergency medicine, surgery, internal medicine, paediatrics, psychiatry, obstetrics and gynaecology, haemodialysis, physiotherapy and pharmacy. During the period under review, Palau gained two medical officers who graduated from the Pacific Basin Medical Officers Training Program. There are a total of six medical officers who still rely heavily on assistance from the United States Public Health Service Corps. There were also two medical doctors working in Palau and one orthopaedic surgeon from Malaysia. According to the annual report, however, Palau is still in critical need of doctors.

79. In addition, there were two United States dentists working on Palau and a Palauan dentist who recently graduated from the Philippines. The current annual report noted that with three dentists working the Territory a retired dentist who had been working on a provisional contract could be released.

80. Nurses visit schools regularly to administer a fluoride mouth-rinse programme, conduct dental health education and make field trips to outlying states to provide dental care.

81. The Trust Territory is affiliated with WHO (Western Pacific Regional Office). This specialized agency and the health section of SPC provide technical assistance upon request. Palau has direct agreements with SPC, the United Nations Children's Fund, the United Nations Population Fund and ESCAP.

C. Community development

82. The Palau Bureau of Community Services provides youth development programmes, educates the public on the dangers of drugs and alcoholism, is responsible for identifying and protecting the cultural and historical heritage of Palau and serves as a focal point for women's interests.

83. The Palau social security system has been in operation since 1987. It covers all workers in Palau as well as Palauans working outside the Trust Territory.

84. The Palauan Social Security Administration administers Palau's share of the Trust Territory Social Security System which has a market value of more than $6 million in assets.

85. During 1992, the social security system had 20,684 members, of whom 1,200 were added that year. Some $2.4 million in contributions were collected during the same period, of which $1.3 million were contributed by Government of Palau employees. The system pays out $1.8 million annually to beneficiaries. According to the current report of the Administering Authority, many families are heavily dependent on social security payments each month for their livelihood.

86. During the period under review, a 13-member United States Civic Action Team (also known as the "Seabees") implemented, at the request of the local government, more than 30 projects. The team was also engaged in training Palauans in various fields of activities, as well as building and repairing houses and infrastructural facilities. The team also provided, through its medical civic action programme, health education and technical medical assistance.

D. Labour

87. In 1992, a total of 1,542 persons were employed by the Government of Palau, a decrease of 47 from the previous year. A further 4,010 were employed in the private sector. According to the current report of the Administering Authority, there were 4,480 alien workers in Palau, approximately two thirds of whom came from the Philippines. This large number was attributed to fishermen employed by two long-line fishing operations based in Palau.

E. Public safety

88. The Bureau of Public Safety is responsible for maintaining order and protecting life and property in Palau. In 1992, the Bureau had a staff of 74.

89. In 1992, a total of 395 major crimes were reported, of which 6 were homicides, 62 aggravated assaults and 117 reported cases of threatening behaviour with violence. Some 488 civil cases and 395 criminal cases were filed during the same year.

90. In recent years, Palau has pursued efforts to combat drug traffic, substance abuse and alcoholism by enforcing drug laws and providing neighbouring islands with information on drug smuggling in the region. In 1991, a total of $133,996 was allocated to the Palau Drug-Free Education Programme.

F. Peace Corps

91. Peace Corps volunteers have been involved in Palau for over 25 years. In 1991, six volunteers were assigned to a Youth Programme Development Project in rural or outer island communities. In July 1992, four new volunteers were assigned to organize resource centres in different states.

V. EDUCATIONAL ADVANCEMENT

A. Primary and secondary education

92. Education is compulsory in Palau for children from the age of 6 to 14. During the period under review, there were 21 public elementary schools in Palau. Elementary school enrolment totalled 2,480 pupils, of whom 428 were in the two private elementary schools. Most elementary school teachers were Palauans.

93. After eight years of compulsory elementary education, a student may enrol at a public high school or at one of the five private (church-affiliated) high schools. An estimated 95 per cent of students who complete elementary education go on to secondary education.

94. Each year, the Palau High School administers entrance tests in English, science, social studies and mathematics to determine whether a student is able to take the regular high-school programme or must do remedial work. During the period under review, of the 212 students who took the entrance test, 108 passed and were placed in the regular Palau high-school programme. Of the 104 students who failed, 53 were placed in the high-school preparatory programme and the remainder were absorbed by remedial programmes or enrolled in one of the private high schools.

95. During the period under review, secondary school enrolment totalled 981 pupils, of whom 325 were enrolled in private institutions.

96. Public expenditure on elementary school education amounted to $1,200 per pupil while secondary schools were allotted approximately $2,250 per pupil.

B. Higher education

97. A large number of students who graduate from Palau's secondary schools go on to various colleges and universities abroad, mostly on the United States mainland, or in Hawaii, Guam, Japan and Australia. Financial assistance for those students comes from United States federal aid, Palau national scholarships and Pacific Islands student loans. The Palau National Scholarship Board awarded 77 scholarships for study abroad in 1991/92 and 132 scholarships in 1992/93.

C. Vocational training

98. In Palau, the main educational institution providing vocational training is the Micronesian Occupational College. According to the 1992 United Nations Visiting Mission to Palau, the College currently has a staff of approximately 140. On average, about two thirds of the 350 students enrolled at the College come from outside Palau, mostly from the Federated States of Micronesia and the Marshall Islands.

99. The Micronesian Occupational College currently offers an Associate of Arts/Science degree. It also issues Certificates of Achievement for students who do not complete their degrees. The College has three major divisions, namely, general studies, occupational education and trades and industries. Its departments offer one- and/or two-year programmes in fields such as agricultural science, air-conditioning and refrigeration, automotive mechanics and body repair, construction, carpentry, general electronics, clerical and secretarial work, tailoring and dress design, food services, heavy equipment and diesel mechanics, masonry, home economics and business education.

D. Teacher training

100. Teacher training has been a priority for the education authorities in Palau. According to the 1991 report of the Administering Authority, some 75 per cent of the teachers in both the elementary and secondary schools are now holders of bachelor's degrees and the remainder have at least associate degrees.

E. Dissemination of information on the United Nations

101. At previous sessions of the Trusteeship Council, the Administering Authority stated that it was ready to cooperate fully with the United Nations in any effort to improve the quality of information provided on the Organization and to update the mailing and distribution lists inside the Trust Territory.

Notes

1/ Trusteeship Agreement for the Trust Territory of the Pacific Islands (United Nations publication, Sales No. 1957.VI.A.1).

2/ Official Records of the Security Council, Forty-seventh Year, Special Supplement No. 1 (S/25261 and Corr.1).

3/ 1992 Trust Territory of the Pacific Islands, 1 October 1991 to 30 September 1992, forty-fifth annual report to the United Nations on the administration of the Trust Territory of the Pacific Islands, transmitted by the United States of America to the United Nations pursuant to Article 88 of the Charter of the United Nations (Department of the Interior).

Notes (continued)

4/ Official Records of the Trusteeship Council, Fifty-ninth Session, Supplement No. 1 (T/1964), chap. II, paras. 14-29.

5/ Ibid., Supplement No. 1 (T/1964).

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Trusteeship Council

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Sixtieth session
Agenda item 12

REPORT OF THE TRUSTEESHIP COUNCIL TO THE SECURITY COUNCIL

Report of the Drafting Committee

1. At its 1700th meeting, on 14 May 1993, the Trusteeship Council appointed a drafting committee composed of the representatives of China, France, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland to prepare draft conclusions and recommendations of the Trusteeship Council at its sixtieth session to be included in its report to the Security Council.

2. The drafting committee held one meeting on 14 May, and decided to forward the draft conclusions and recommendations set out in the annex to the present report to the Council for its consideration.

Annex

CONCLUSIONS AND RECOMMENDATIONS

A. Political advancement

1. The Trusteeship Council takes note of the adoption on 22 December 1990, by the Security Council, as proposed by all members of the Trusteeship Council, of resolution 683 (1990), in which the Security Council expressed its hope that the people of Palau would be able in due course to complete the process of freely exercising their right to self-determination.

2. The Trusteeship Council notes the statement by the Vice-President of Palau on 12 May (T/PV.1698) that the leadership of Palau desires an end to the trusteeship at an early date and, to that end, has decided to hold a plebiscite scheduled for 27 July 1993 in Palau on the Compact of Free Association with the United States of America. a/

3. The Trusteeship Council expresses the hope that the people of Palau will thus be able to complete the process of exercising freely their right to self-determination, and that it will be possible to terminate the Trusteeship Agreement b/ in the very near future.

4. The Trusteeship Council, having been invited by the Administering Authority, decides to dispatch a Mission to observe the plebiscite and requests the Mission to submit on its return a report containing such conclusions and recommendations as it may wish to make.

B. Economic, social and educational advancement

5. The Trusteeship Council notes that the people of the Trust Territory, in the exercise of their right to self-government as set out in Article 76 b of the Charter of the United Nations, have elected to assume full responsibility for administration in the economic, social and educational fields.

6. The Trusteeship Council notes with satisfaction the recent improvements reported in the economic, social and educational fields, including public health, tourism and fisheries. It expresses the hope that further progress will continue to be made in these and other fields. In particular it draws attention to the continuing requirement for qualified health-care personnel, an effective marine enforcement programme, preservation of the environment, and for the expeditious resolution of land issues.

7. The Trusteeship Council expresses the hope that the Administering Authority will continue to do what it can to assist the people of the Territory to attain greater economic self-sufficiency through responsible economic development. In this context, the Trusteeship Council welcomes the progress made by the Administering Authority, the United Nations Development Programme and the Government of Palau towards the National Master Development Plan which will provide a framework for the future economic development, and enhanced economic self-sufficiency, of Palau.

C. General

8. The Trusteeship Council notes with satisfaction the assurances given by the Administering Authority that it will continue to fulfil its responsibilities under the Charter of the United Nations and under the Trusteeship Agreement.

9. The Trusteeship Council takes note of the statement by the Administering Authority in its current annual report, that it continues to have no plans to establish military bases in Palau.

Notes

a/ The Compact of Free Association between Palau and the United States is described in the report of the United Nations Visiting Mission to Observe the Plebiscite in Palau, Trust Territory of the Pacific Islands, February 1983 (Official Records of the Trusteeship Council, Fiftieth Session, Supplement No. 3 (T/1851)). Amendments to the Compact, agreed to in January 1986, are contained in the report of the United Nations Visiting Mission to Observe the Plebiscite in Palau, Trust Territory of the Pacific Islands, February 1986 (ibid., Fifty-third Session, Supplement No. 2 (T/1885)).

b/ Trusteeship Agreement for the Trust Territory of the Pacific Islands (United Nations publication, Sales No. 1957.VI.A.1).

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ARRANGEMENTS FOR THE DISPATCH OF A VISITING MISSION TO OBSERVE THE PLEBISCITE IN PALAU, TRUST TERRITORY OF THE PACIFIC ISLANDS

China, France, Russian Federation and United Kingdom of Great Britain and Northern Ireland: draft resolution

The Trusteeship Council,

Aware of the plebiscite scheduled for 27 July 1993 in Palau, Trust Territory of the Pacific Islands, on the Compact of Free Association with the United States of America,

Having been invited by the administering Authority to dispatch a mission to observe the plebiscite,

Considering that it would be desirable to include in such a mission representatives of countries of the region that are not members of the Trusteeship Council,

1. Decides to send to Palau a visiting mission to begin on or about 20 July 1993 and to end as soon as practicable after the declaration of the results of the plebiscite;

2. Further decides that the Visiting Mission to Palau should be composed of four members of the Trusteeship Council - China, France, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland - and two representatives of countries of the region that are not members of the Council, to be determined through further consultations; 1/

3. Directs the Visiting Mission to observe the plebiscite, specifically the polling arrangements, the casting of votes, the closure of voting, the counting of ballots and the declaration of results;

1/ At its ... meeting, on ..., the Council decided that the nominations to be submitted would automatically be approved when received.

4. Requests the Visiting Mission to submit to the Trusteeship Council as soon as practicable a report on its observation of the plebiscite, containing such conclusions and recommendations as it may wish to make;

5. Requests the Secretary-General to provide the necessary staff and facilities to assist the Visiting Mission in the performance of its functions.

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ARRANGEMENTS FOR THE DISPATCH OF A VISITING MISSION TO OBSERVE A PLEBISCITE IN PALAU, TRUST TERRITORY OF THE PACIFIC ISLANDS

Administrative and financial implications of the draft resolution contained in document T/L.1286

Statement submitted by the Secretary-General in accordance with rule 65 of the rules of procedure of the Trusteeship Council

1. Under the terms of the draft resolution contained in document T/L.1286, the Trusteeship Council would:

(a) Decide to send to Palau a visiting mission to begin on or about 20 July 1993 and to end as soon as practicable after the declaration of the results of the plebiscite (para. 1);

(b) Further decide that the Visiting Mission to Palau should be composed of four members of the Trusteeship Council - China, France, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland - and two representatives of countries of the region that are not members of the Council, to be determined through further consultations (para. 2);

(c) Direct the Visiting Mission to observe the plebiscite, specifically the polling arrangements, the casting of votes, the closure of voting, the counting of ballots and the declaration of results (para. 3);

(d) Request the Visiting Mission to submit to the Trusteeship Council as soon as practicable a report on its observation of the plebiscite, containing such conclusions and recommendations as it may wish to make (para. 4);

(e) Request the Secretary-General to provide the necessary staff and facilities to assist the Visiting Mission in the performance of its functions (para. 5).

2. It is understood on the basis of information made available to the Secretariat that the Mission would be composed of four members of the

Trusteeship Council and two representatives of countries of the Pacific region. It is further assumed that it would be serviced by four staff members. On that basis, the total estimated requirements of the Mission at full cost would amount to $94,000 broken down as follows:

	$
Travel of representatives	53 000
Travel of staff	32 000
Mission operating expenses	9 000
Total	94 000

3. The revised appropriations approved by the General Assembly at its forty-seventh session for the Trusteeship Council's activities in 1992-1993 amount to $113,900. Related commitments during the current biennium amount to $71,500, hence a balance of $42,400 is available for the Council's activities for the remainder of the biennium.

4. In the experience of the past three bienniums, actual utilization of resources have tended to be lower than initial estimates by about 20 per cent. Nevertheless, should the Council decide to dispatch a visiting mission to Palau, it is anticipated that the available balance of the appropriation of $42,400 would not be adequate to meet the additional requirements for the mission. The Secretary-General believes, however, that the additional requirements of up to $51,600 could be absorbed within resources available under Section 37.